

ORDINANCE NO. 023-118

AN ORDINANCE AUTHORIZING
PAYMENT OF UP TO \$6 MILLION
FOR STIPENDS TO ENCOURAGE
PROPOSALS FOR THE RED LINE
EXTENSION PROJECT DESIGN-
BUILD CONTRACT

WHEREAS, The Chicago Transit Authority (“Authority”) is undertaking a project to build stations and rail infrastructure on the Red Line, also known as the Red Line Extension Project (the “Project”); and

WHEREAS, The Project will extend the Red Line from the existing terminal at 95th/Dan Ryan to 130th Street and include four new stations near 103rd Street, 111th Street, Michigan Avenue, and 130th Street, with multimodal connections at each station including bus, bike, pedestrian, and park & ride facilities; and

WHEREAS, The Project will reduce commute times for residents, improve mobility and accessibility, and foster economic development, where stations may serve as catalysts for neighborhood revitalization; and

WHEREAS, The Authority is undertaking a two-step procurement process for the design-build contract for the Project in which interested contractors first submit their qualifications and then those deemed most qualified by the Authority (the “Proposers”) are invited to submit proposals; and

WHEREAS, On September 8, 2023, the Authority issued a Request for Proposals (RFP) to the three shortlisted Proposers for a design-build contractor qualified and prepared in all aspects, including detailed engineering required to complete the Project, under Requisition No. C22FT102829986; and

WHEREAS, It is customary and in accordance with industry best practices on large design-build projects to pay a stipend to shortlisted proposers which submit compliant proposals but are not ultimately awarded the contract, to encourage innovative engineering and allow the party undertaking the project to acquire the rights to such innovative engineering; and

WHEREAS, It is in the best interest of the Authority to pay a stipend to responsible Proposers on the shortlist which are not ultimately selected to be awarded the design-build contract for the Project, but which submitted proposals that are responsive, meet the stipend agreement terms, and all other RFP requirements; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF CHICAGO TRANSIT AUTHORITY:

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SECTION 1. The President of the Authority, or his designee, is authorized to execute agreements to pay up to two (2) responsible Proposers which are shortlisted and submit proposals found to be responsive and that met all other requirements, as determined by the Vice President, Purchasing and Supply Chain, but are not awarded the design-build contract for the Project, an amount of Three Million Dollars (\$3,000,000.00) per Proposer, for a total of up to Six Million Dollars (\$6,000,000) in the aggregate.

SECTION 2. The Chairman of the Chicago Transit Board and the President of the Authority, or their designees, are further authorized to take such actions and execute such documents as may be necessary to implement the objectives of this ordinance.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

October 13, 2023

Secretary

October 13, 2023